

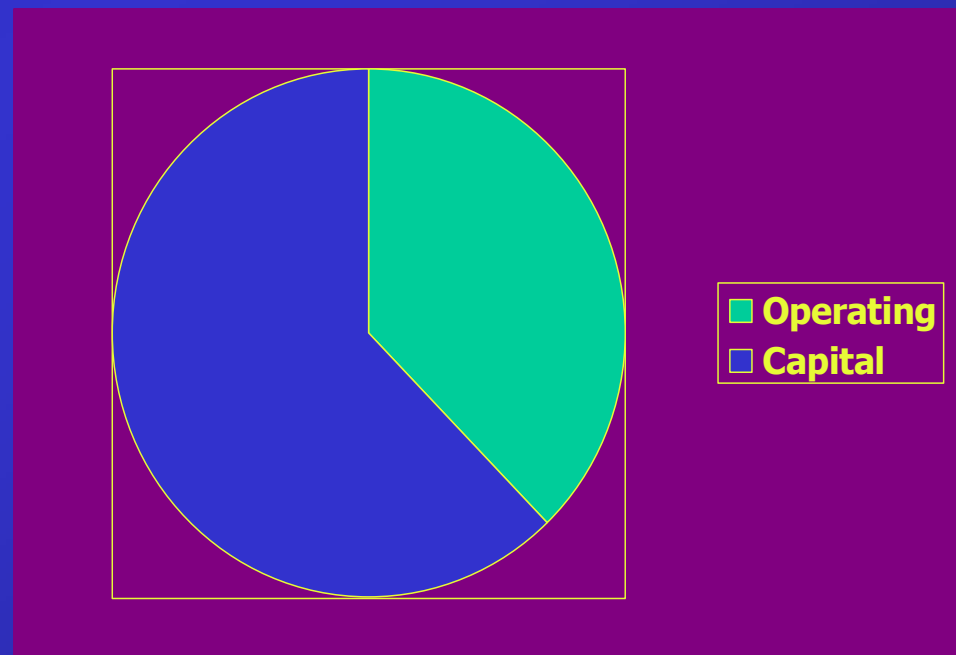
## **An Overview of DCR's Budget**

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Administration and Finance**

# Two Main Budgets

- Capital — Bond authorization
- Operating — Annual Appropriation

Governor prepares, Legislators approve



# Uses of Funds - How did we budget Capital Funds at DCR in FY07?

FY 07 Capital Budget in Millions		
EXAMPLES		
Planning & Engineering	Mt Greylock Road Repair	\$58.3
Operations	Universal Access Program	\$8.4
Staff & Personnel	Salary for DCR Engineers	\$12.7
A & F	Flood Mitigation Funds	\$1.7
Capital Asset Management	Chelsea Pool	\$9.7
MassHighway	Storrow Drive Tunnel	\$8.9
Environmental Secretary	Neponset Salt Marsh	\$.1
Land Acquisition	Sutton Properties	\$5.0
Seaport Authority	Seaport Council Projects	\$10.3
SUPPLEMENTAL Projects	BU Bridge Horseneck Beach	\$35.2
Subtotal Anticipated FY07 Spending		\$151M

# Criteria for Capital Projects

- DCR prepares annual and long range capital plans to work to keep our assets in a state of good repair. Some of the criteria for the inclusion and ranking of capital projects in our capital plan include:
- Mission of DCR: the project should further the core of DCR's conservation and recreation mission.
- Public Safety/Public Health: projects that address public safety/public health issues are a high priority on our capital plan.
- Public Use: projects at facilities where there is heavy public use tend to be priorities in our plan over projects at less heavily used facilities (unless public safety/public health issues are involved).
- In addition, we are starting to factor in Asset Life Cycles. Assets have different life spans and asset repair or replacement schedules based on these life cycles will be factored into the capital plan when evaluating projects.
- Lastly, the availability of funds (capital authorizations on the books) is a major consideration for inclusion of projects. We need funds in appropriate accounts (as authorized by the Legislature) to implement projects.

# Key Actions for Managing the Capital Funds

## INNOVATION

- Increased Efficiency of Approvals
- Utilize Technology where applicable
- Gain Management Flexibility to better handle resources
- Other new models to move things along

# Operating Budget Budget Cycle

- The approved Fiscal Year 2007 Budget provides a base for the Fiscal Year 2008 budget.
- By September agencies were required to submit to Executive Office Administration and Finance (EOAF) FY08 maintenance figures – for example, union increase, utility increases.
- January (3<sup>rd</sup> Wednesday of the month) Governor files his budget request, “House One” to the Great and General Court.

# Operating Budget Budget Cycle

## Continued

- House Budget follows usually around April, Senate budget follows usually around May.
- May-June a conference committee meets to resolve differences between the two legislative budgets. Up or down vote.
- Approved conference committee report goes to Governor who has 10 days to sign line-item vetoes.
- Legislature may override veto recommendations.
- Fiscal Year 2008 budget becomes law.

# Operating Budget Budget Cycle

## Continued

- Executive Office of Administration and Finance (EOAF) issues spending plans to agencies (i.e. DCR) during the months of July and August. For example, EOAF has authorized agencies to start paying out earmarks.
- Usually, rule-of-thumb, 70% is loaded as expense budget, which is available for spending at the beginning of the fiscal year.

## Operating Budget Payments

- Fiscal year closes June 30 of every year.
- Accounts Payable closes August 31 of every year.

## Operating Budget Spending by Regions & Locations

- Each Division and Bureau is responsible for its own budget, DCR implemented a new DCR "Cost Center" structure in FY 05.
- Among many other benefits, new cost center structure allows Departments to report out on each physical location the cost of running the facility and allows us to centralize some purchases.

## Revenue Unrestricted vs. Restricted

Department takes in revenue for programs  
within their department

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graph TD; A[Department takes in revenue for programs within their department] --> B[Unrestricted Revenue]; A --> C[Restricted Revenue "Retained"];
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### Unrestricted Revenue

Revenue is deposited into the General Fund(0010) unless otherwise established by law.

Example: DCR takes revenue in for Program XYZ which is deposited into the General Fund (0010). The GAA(General Appropriation Act) does not specify that DCR can retain this money to fund for a specific purpose or for deposit into an alternative fund.

### Restricted Revenue "Retained"

Revenue the department collects that is available for expenditures as directed by law.

Example: DCR takes revenue in for State Park Fees (e.g. Camping, Parking, Concessions, Permits) which falls under the General Fund (0010). The GAA specifies that DCR can spend money to fund this program up to \$4,454,826, additional amounts received are deposited in to the General Fund.

## Fiscal Year 2007

<u>Appropriation Name</u>	<u>Appropriation</u>	<u>FY07</u>
Conservation and Recreation	2800-0100	\$5,928,145.00
Watershed Management	2800-0101	2,692,275.00
Stormwater Management	2800-0401	950,000.00
Dam Regulatory Office	2800-0700	1,045,000.00
Trailside Museum	2800-9004	375,000.00
State Parks and Recreation	2810-0100	22,797,212.00
DCR Summer Employment Program	2810-0200	2,000,000.00
Seasonal Hires State Parks	2810-2000	5,569,489.00
Urban Parks and Recreation	2820-0100	27,212,182.00
State House Park Rangers	2820-0101	1,851,520.00
Urban Parks Seasonal Hires	2820-0200	3,159,341.00
Central Artery Parks and Spectacle Island	2820-0300	1,371,000.00
Parkways Snow and Ice Control	2820-2000	1,547,434.00
Parkways Street Lighting	2820-9005	3,006,832.00
Beach Preservation	2800-0500	1,735,000.00
Pool Preservation	2800-0600	750,000.00
State Parks Fees Retained Revenue	2810-2040	4,454,826.00
Park Ranger Citations Retained Revenue	2820-1000	200,000.00
Telecommunications Retained Revenue	2820-1001	50,000.00
Stating Rinks Retained Revenue	2820-3001	1,000,000.00
Ponkapoag Golf Course Retained Revenue	2820-4420	1,086,992.00
Leo J Martin Golf Course Retained Revenue	2820-4421	<u>766,238.00</u>

**Total**

**\$89,548,486.00**

**Fiscal Year 2008 House 1**  
**Consolidated**

<u>Appropriation Name</u>	<u>Appropriation</u>	<u>FY08</u>
Conservation and Recreation	2800-0100	\$6,094,212.00
Watershed Management	2800-0101	1,446,297.00
DCR State and Urban Parks Operations	2800-0300	54,117,953.00
DCR Seasonal Staffing	2800-0400	12,642,929.00
Stormwater Management	2800-0401	950,000.00
Dam Regulatory Office	2800-0700	1,045,000.00
DCR Parkways Operations	2800-0800	4,914,651.00
Trailside Museum	2800-9004	375,000.00
DCR Fees to Support Operations	2800-0900	5,654,826.00
Usage and Lease Fees for Telecommunications Retained Revenue	2820-1001	50,000.00
Ponkapoag Golf Course Retained Revenue	2820-4420	1,100,000.00
Leo J Martin Golf Course Retained Revenue	2820-4421	<u>1,100,000.00</u>
<b>Total</b>		<b>\$89,490,868.00</b>

## DCR Trusts

- General Trust \$3,614,987
- Conservation Trust \$5,385,427
- Special Events Trust \$ 123,914

Among the purposes of the Trusts are the preservation, beautification and care of public reservations and facilities. The furtherance of the conservation and recreation interests of the Commonwealth. Providing free artistic and cultural performances within the facilities managed by the DCR.